



The Impact of US Dairy Policy on International Trade

Paul Campbell

Presentation to The Dairy Industry Advisory Committee

October 2010



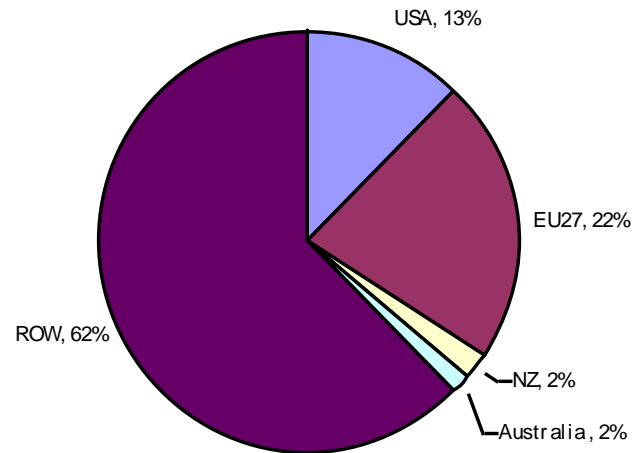
Global Production and Trade in Dairy Product (Milk)

Global Production
2008 670 million
Tonnes

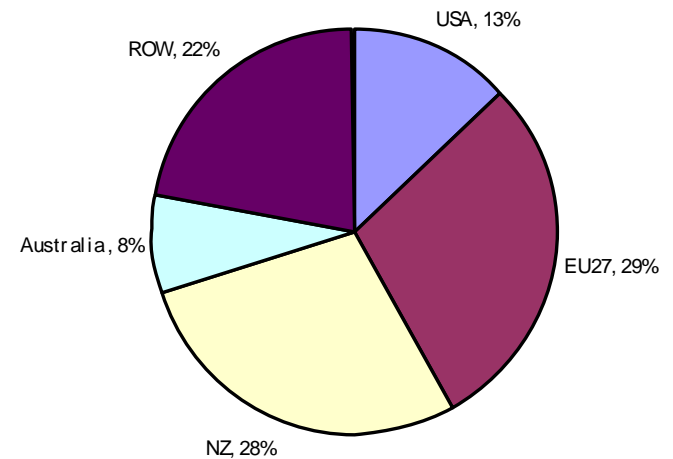
7%

Traded 45 million
Tonnes

World Milk Production

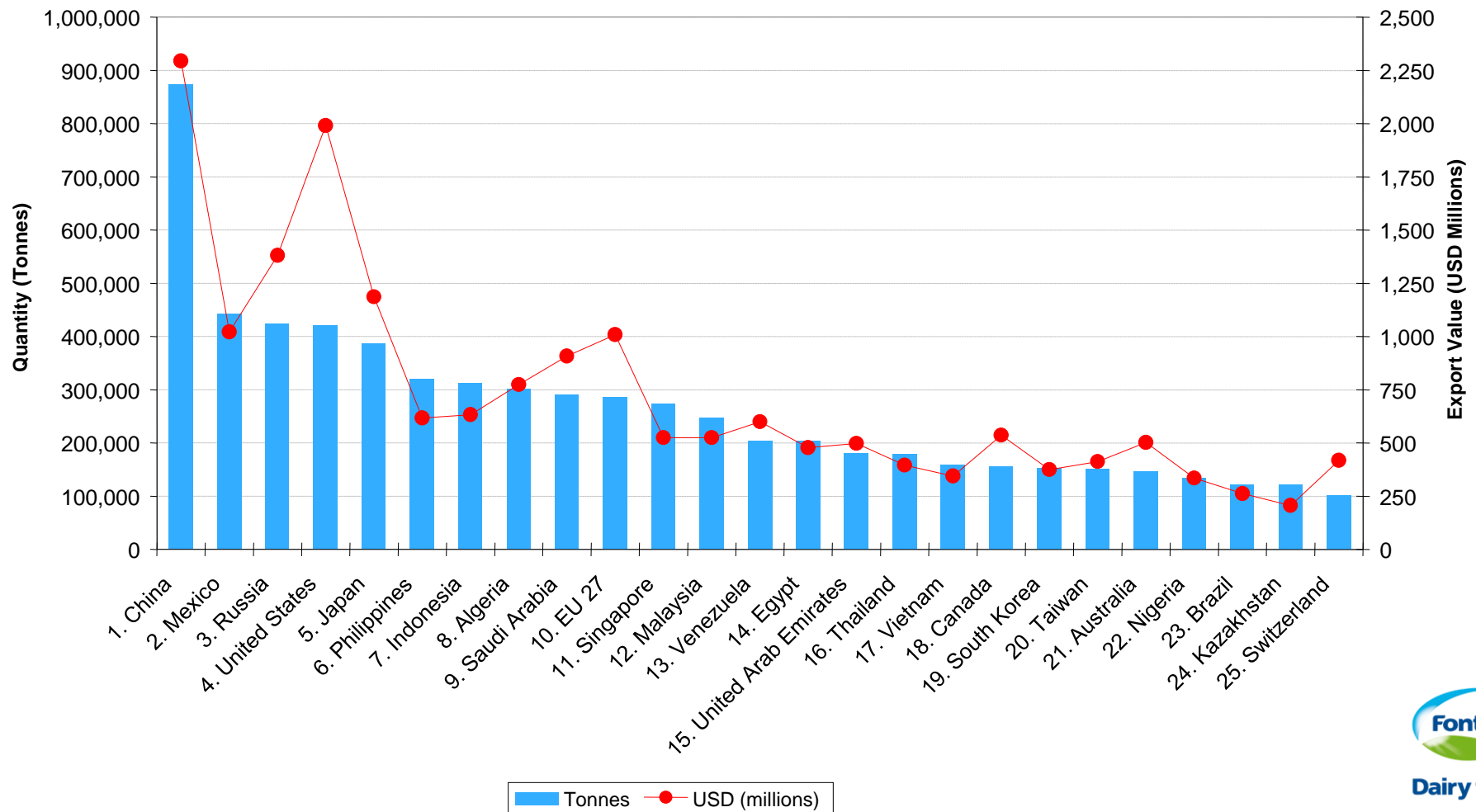


Traded Share

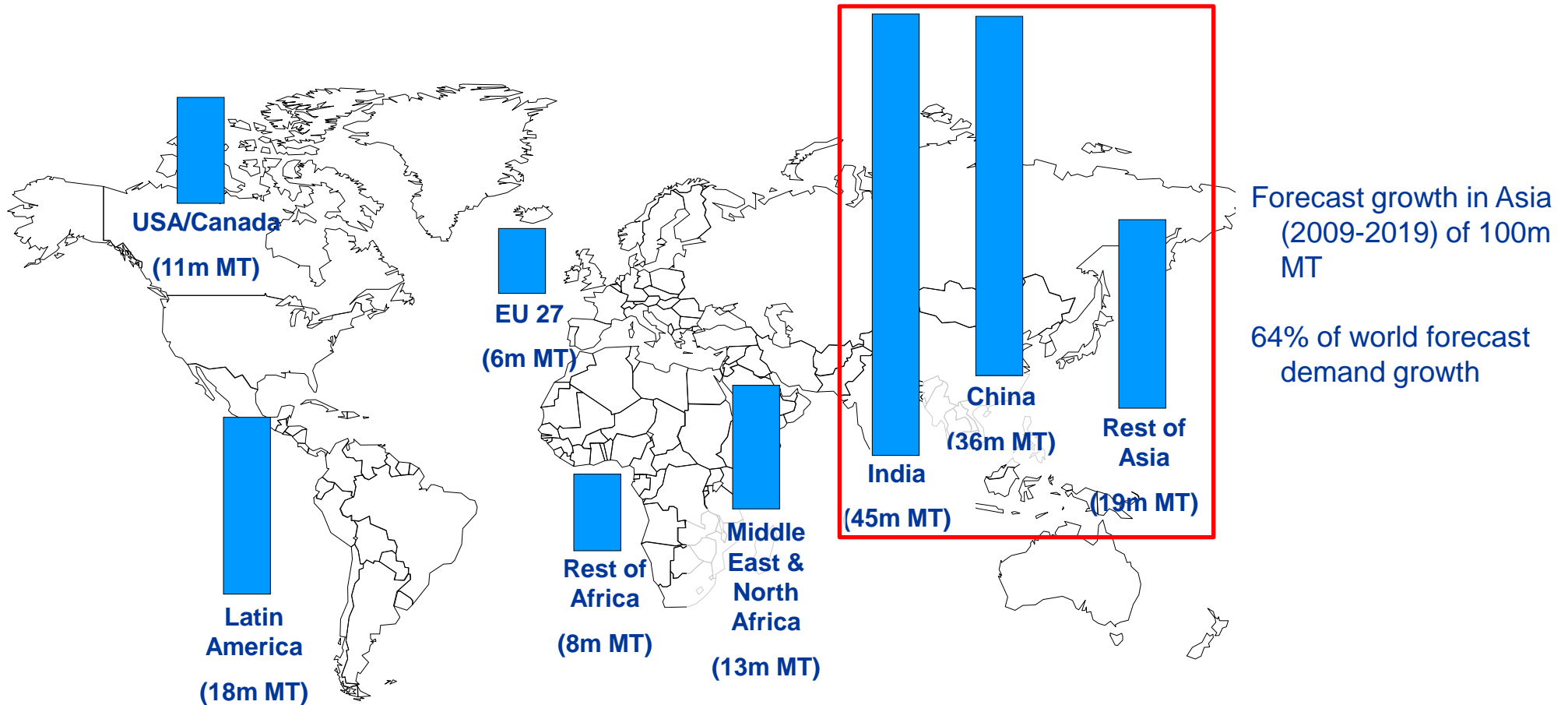


2009 World Dairy Trade

Top 25 Destinations



Asia leads forecast growth in dairy consumption



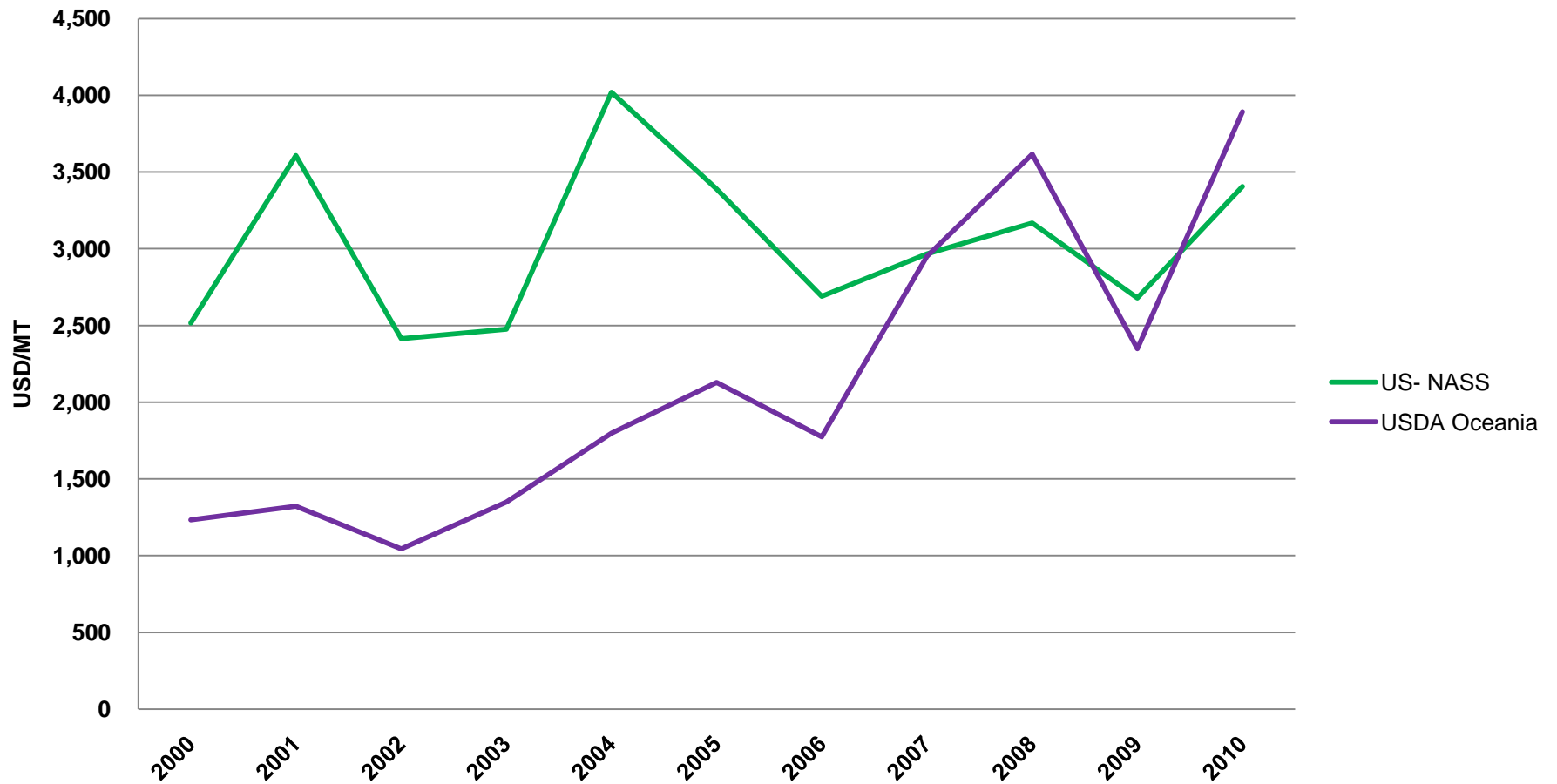
■ Total Behind Borders consumption growth (million tonnes), 2009-2019

Sources: Fonterra analysis. Milk Equivalent (ME) basis.



Dairy for life

Annual Butter Prices



Risk Management Tools



Enablers:

- Standardised contracts
- Sufficient liquidity
- Tools
- Supportive policy environment